

Message Text

CONFIDENTIAL

PAGE 01 BEIRUT 03060 290606Z
ACTION NEA-10

INFO OCT-01 ISO-00 EB-07 COME-00 TRSE-00 OMB-01 EPG-02
XMB-02 AID-05 IGA-02 OPIC-03 CIAE-00 INR-07
NSAE-00 DODE-00 /040 W
-----120954 290608Z /21
R 281415Z JUN 77
FM AMEMBASSY BEIRUT
TO SECSTATE WASHDC 4411

C O N F I D E N T I A L BEIRUT 3060

DEPT ALSO PASS AID AND EXIMBANK

E.O. 11652: GDS
TAGS: ECON ECRE EFIN OTRA LE
SUBJ: EXIMBANK VISITORS MEET WITH MINISTER DOUMET

REF: BEIRUT 3018

1. VISITING EXIMBANK OFFICIALS MORAN AND HAMMOND CALLED ON MINISTER OF INDUSTRY MICHEL DOUMET JUNE 24. DOUMET OFFERED FOLLOWING COMMENTS.
2. COMMERCIAL BANKS HAVE EXCESS DEPOSITS AND ARE LOOKING FOR INVESTMENT OPPORTUNITIES. HOWEVER, THEY ALSO DEMAND COLLATERAL WORTH 200 PERCENT OF LOAN. MANY BUSINESSMEN CAN THEREFORE NOT GET CREDIT WHICH WOULD ALLOW THEM TO RESUME PRODUCTION; THEIR PLANTS WERE DESTROYED AND THEY HAVE NO COLLATERAL. BUSINESSMEN ALSO CANNOT GET TERM CREDIT FROM SUPPLIERS, WHO DEMAND THAT ALL TRANSACTIONS BE IN CASH.
3. BANKS SHOULD ESTABLISH CRITERIA FOR CREDIT WORTHINESS WHICH ARE MORE SUBJECTIVE THAN THOSE GENERALLY USED. RATHER THAN COUNTING BUSINESSMAN'S ASSETS, BANKS SHOULD LOOK AT HIS PREVIOUS SUCCESSES AND PROFITABILITY. ADMITTEDLY, THIS MIGHT BE DIFFICULT, BECAUSE BUSINESSMEN OFTEN DID THEIR ACCOUNTING SO

CONFIDENTIAL

PAGE 02 BEIRUT 03060 290606Z

AS TO AVOID TAXES AND EMPLOYED UNREPORTED LABOR TO AVOID SOCIAL SECURITY PAYMENTS.

4. REBUILDING OF DOWNTOWN BEIRUT IS NOT URGENT AND MAY TAKE TEN TO TWENTY YEARS. DOWNTOWN "IS NOT BONES, BUT FLESH."
IT IS MORE IMPORTANT TO RESTORE PRODUCTIVE FACILITIES,
AND PEOPLE CAN GO SHOPPING IN MANY OTHER PLACES.

5. DOUMET CONCLUDED THAT POLITICAL SETTLEMENT WOULD CERTAINLY INFLUENCE ECONOMIC ACTIVITY. HOWEVER, HE BELIEVED THAT LEBANESE WERE WILLING TO DO BUSINESS "DESPITE POLITICAL SITUATION." HE THOUGHT PEOPLE WHO SAID LEBANON MUST WAIT FOR A POLITICAL SOLUTION BEFORE SETTING ITS ECONOMIC HOUSE IN ORDER WERE USING THIS AS "EXCUSE." WHEN ASKED HOW UNITED STATES ASSISTANCE MIGHT BEST BE USED IN LEBANON, HE URGED USG TO ACT AS "CATALYST" TO INDUCE GOL AND LEBANESE BUSINESSMEN TO TAKE RISKS NECESSARY TO GET ECONOMY GOING.
PARKER

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: BANKERS, MEETINGS, ECONOMIC RECONSTRUCTION
Control Number: n/a
Copy: SINGLE
Sent Date: 28-Jun-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977BEIRUT03060
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D770231-0922
Format: TEL
From: BEIRUT
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770612/aaaaajyc.tel
Line Count: 73
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: b536da75-c288-dd11-92da-001cc4696bcc
Office: ACTION NEA
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 77 BEIRUT 3018
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 22-Mar-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2014583
Secure: OPEN
Status: NATIVE
Subject: EXIMBANK VISITORS MEET WITH MINISTER DOUMET
TAGS: ECON, ECRE, EFIN, OTRA, LE, XMB, (DOUMET, MICHEL)
To: STATE
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/b536da75-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009